(e) An amount of about Rs. 6.44 lakhs has been spent by the Indian Delegation of this tour.

(f) and (g) The visit would benefit the country as provided for in the Agreements signed with the Government of FRG during the visit. In addition, possible cooperation in the field of poverty eradication with German assistance was also discussed and agreed upon. The visit also helped in furthering the bilateral economic relations between the two countires.

**Analysis of Corporate Profitability by CMIE**

2104. SHRI VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether a recent analysis of corporate profitability by the Centre for Monitoring India Economy (CMIE) indicates that while labour productivity has been increasing for the sample companies, the marginal productivity of fresh investments of private sector companies declined by over one fourth between 1990-91 and 1993-94;

(b) if so, what are the reasons and what are the various factors responsible for this decline; and

(c) what steps Government have so far taken to check the decline so that the country's growth is not badly hit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) A study entitled the Indian Corporate Sector, published by the Centre for Monitoring Indian Economy in April, 1995, inter-alia observes that:

— Output per wages has increased more or less consistently over the period 1987-88 to 1993-94, and the increase is well distributed over all industries and sectors. For the private corporate sector, it increased from 11.1 in 1990-91 to 12.4 in 1993-94. The marginal productivity of investment in the private corporate sector declined from 1.50 in 1990-91 to 0.93 in 1992-93 but this improved somewhat in 1993-94 and was 1.10.

The main reason for decline of marginal productivity of the private corporate sector is the decline in marginal productivity of investment of large Indian Houses from 1.27 in 1990-91 to 0.79 in 1993-94 and of other Indian Private Companies from 1.46 in 1990-91 to 1.10 in 1993-94. However the marginal productivity of private companies was about stable showing a marginal change from 2.50 in 1990-91 to 2.48 in 1993-94.

(c) Under the new economic policy, structural reforms undertaken by the Government in the spheres of trade, industry and public sector are aimed at enhancing efficiency, competitiveness and productivity of Indian industry, and impart dynamism to the overall growth process. The early results of reforms have been quite encouraging. Industrial production which was virtually stagnant in 1991-92 has gone up sharply by 8.4 per cent in 1994-95, after registering an increase of 5.6 per cent in 1993-94.

**Assistance Provided to improve the conditions of Hospitals**

2105. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Uttar Pradesh has in the recent past submitted a proposal for seeking financial assistance from Housing and Urban Development Corporation and National Housing Bank to improve the Conditions of Hospitals; and

(b) if so, the amount of financial assistance provided so far by the Government?